

Transnet, Minerals Council enter new collaboration

State freight rail and ports company Transnet and the Minerals Council of South Africa have entered a collaboration aimed at stabilising and improving the movement of commodities in the country.



Source: Transnet Port Terminals

In a joint statement, Transnet and the Council said the collaboration is expected to bring growth to exports.

"[Transnet and the Minerals Council] have agreed to establish joint collaborative structures whose purpose is to ensure that all possible actions are taken to stabilise and improve the throughput of South Africa's rail and ports systems to enable inclusive growth and maximise the movement of commodities in the national interest.

"Recognising the integrated nature of the mining industry as part of the logistics system, the Transnet board and Minerals Council office bearers have agreed to work together with a mutually agreed focus on helping to stabilise the whole system's performance which entails responsibilities on both sides. Both parties agree that stabilisation and then recovery are in the interest of all parties in the value chain," the statement read.

President of the Minerals Council Nolitha Fakude explained the joint effort will be beneficial to all producers. "We are determined to find practical solutions to our rail and port challenges and ensure that all producers big and small share in the inclusive growth that comes from improved operational performance," Fakude said.

Transnet board chairperson Popo Molefe said the company anticipates a fruitful relationship for both sides. "We look forward to an equally open and constructive relationship with the Minerals Council and key Transnet customers to stabilise the performance on the channels for the benefit of the country," Molefe said.

An oversight panel, a recovery steering committee and channel optimisation teams have been established to drive the collaboration.

"The oversight panel...jointly chaired by the Minerals Council president and the chair of the Transnet board will guide the work of the recovery steering committee and spearhead the rebuilding of good ongoing relations between their respective teams, being the member organisations and the Transnet executive and management teams.

"The five-a-side recovery steering committee made up of Transnet board members, the Minerals Council CEO and CEO representatives of the bulk commodities, will deliberate, agree on and drive solutions that are cross-cutting to the rail and ports, to the commodity channels, and also consider areas where there is a referral for resolution from the channel optimisation teams who are currently in existence and will continue to seek priority practical solutions to improve flows across the system organised across corridors," the statement explained.

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